

**CITY OF MUSKEGON**

**DOWNTOWN DEVELOPMENT AUTHORITY (“DDA”)**

**REGULAR MEETING**

**DATE OF MEETING:** Tuesday, Dec. 14, 2021  
**TIME OF MEETING:** 10:30 A.M.  
**PLACE OF MEETING:** City Hall Commission Chambers,  
933 Terrace, Muskegon, MI

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**AGENDA**

- I. Roll Call
- II. Approval of the special meeting minutes of Nov. 30, 2021
- III. Brownfield Redevelopment Authority business  
None
- IV. Downtown Development Authority business
  - A. DDA financial statement (City Finance)
  - B. Recognition of Lakeshore Art Festival award – information (Ann Meisch)
  - C. Support of new event, (Dave Alexander)
  - D. New event contract with CMF Marketing and Events (Ann Meisch)
- V. Other
- VI. Adjourn

**AMERICAN DISABILITY ACT POLICY FOR ACCESS TO OPEN MEETING OF THE CITY COMMISSION AND ANY OF ITS COMMITTEES OR SUBCOMMITTEES**

The City of Muskegon will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities who want to attend the meeting, 24- hour notice to the City of Muskegon. Individuals with disabilities requiring auxiliary aids or services should contact the City of Muskegon by writing or calling the following: Ann Marie Cummings, City Clerk at 933 Terrace Street, Muskegon, MI 49440 or by calling (231) 724-6705 or TTY/TDD: Dial 7-1-1 and request that representative dial 231-724-6705

CITY OF MUSKEGON

**DOWNTOWN DEVELOPMENT AUTHORITY (DDA) /  
BROWNFIELD REDEVELOPMENT AUTHORITY (BRA)**

SPECIAL MEETING MINUTES

**November 30, 2021**

The meeting was held in the City Commission Chambers. Chairperson M. Bottomley called the meeting to order at 12:00 PM and roll was taken.

MEMBERS PRESENT: M. Bottomley, B. Hastings, J. Riegler, M. Kleaveland, J. Moore, H. Systema, F. Peterson, S. Black, D. Kalisz.

MEMBERS ABSENT: (Members excused) M. Johnson Sr., J. Wallace Jr., D. Pollock.

STAFF PRESENT: P. Wills, Director of Strategic Initiatives; D. Alexander, Downtown Manager, J. Eckholm, Director of Economic Development/Development Services Division, and Mike Franzak, Director of Planning.

OTHERS PRESENT: None

**APPROVAL OF MINUTES**

Motion by F. Peterson, second by J. Moore, to approve the regular meeting minutes for November 9, 2021. Voice vote, all approved.

**BROWNFIELD REDEVELOPMENT AUTHORITY BUSINESS**

Infill Housing Project (3<sup>rd</sup> Amendment) (Pete Wills-Mike Franzak):

City staff is seeking approval of the Brownfield Redevelopment Authority to amend the Brownfield Plan and add additional eligible parcels to the City's Infill Housing Project (**3<sup>rd</sup> Amendment**).

The 3<sup>rd</sup> Amendment adds an additional 386 parcels beyond the 119 parcels previously adopted in the 2<sup>nd</sup> Amendment. **This brings the total to 505 Eligible Properties for this project** and the lots are scattered throughout the city. The BRA approved the Infill Housing Project (2<sup>nd</sup> Amendment) on November 24, 2020 and the City Commission on December 8, 2020. This amendment seeks to modify the plan by adding in all of the government-owned, vacant residential properties in the city.

Staff Recommendation: City staff has prepared this Infill Housing Project (**3<sup>rd</sup> Amendment**) Brownfield Plan Amendment and recommends approval.

Motion: Made by J. Riegler, supported by B. Hastings to approve the resolution for the Brownfield Plan Amendment for the city's Infill House Project (3<sup>rd</sup> Amendment), to request a

public hearing before the Muskegon City Commission, and to have the City Commission consider adoption of the Plan.

Roll Call Vote:

M. Bottomley: Yes

B. Hastings: Yes

J. Riegler: Yes

M. Kleaveland: Yes

J. Moore: Yes

H. Systema: Yes

F. Peterson: Yes

S. Black: Yes

D. Kalisz: Yes

**All in favor, motion passes.**

**DOWNTOWN DEVELOPMENT AUTHORITY BUSINESS**

None.

**PUBLIC PARTICIPATION**

None.

**OTHER**

None.

**AJOURNMENT**

12:26pm

**Muskegon Downtown Development Authority**

**Agenda item A for 11-9-21**

**Acceptance of financial statement Nov. 30, 2021**

**Requesting party:** City Economic Development

**Outline of request:** Staff is asking the DDA board to review and accept the financial statement for Nov. 30, 2021.

**Background:** The finances of the DDA are status quo since the last meeting

**Staff comments:** None

**Staff recommendation:** To accept the Nov. 30, 2021 financial statement.

**Suggested motion:** I move to accept the Nov. 30, 2021 financial statement.

DDA FINANCIAL FOR 11/30/2020

	FY 2020-21 BUDGET	FY2020-21 ACTUAL	FY2021-22 BUDGET	FY TOTALS NOVEMBER 30, 2021
<b>Revenues</b>				
Tax Increment	\$ 490,931.00	\$ 490,931.00	\$ 310,287.00	\$ -
Reimbursement - State	\$ -		\$ -	\$ -
Event Revenue*			\$ -	\$ -
Trans From Capital Projects Fund			\$ -	\$ -
Interest Income	\$ 100.00	\$ 578.94	\$ -	\$ -
Fundraising Revenue				
BID Income (or \$50,000 levy)**	\$ 112,653.00	\$ 50,000.00	\$ 17,000.00	\$ -
Sponsorship	\$ -		\$ -	\$ -
Former Mall Brownfield Income (GF)	\$ -		\$ -	\$ -
<b>Total</b>	<b>\$ 603,684.00</b>	<b>\$ 541,509.94</b>	<b>\$ 327,287.00</b>	<b>\$ -</b>

	FY 2020-21	FY2020-21 ACTUAL	FY 2021-22	FY 2021-22
<b>Expenses</b>				
Business Dev. Manager Wages	\$ 73,781.00	\$ 75,024.35		\$ 28,636.61
Trans to GF - Marketing, Events, Overhead	\$ -		\$ -	
FICA (7.65%)	\$ 5,848.00	\$ 5,651.85	\$ -	\$ 2,498.90
Workers Comp (2%)	\$ 410.00	\$ 430.76	\$ -	\$ 171.20
Insurance	\$ 7,748.00		\$ -	\$ 1,922.63
Residency Bonus (4%)	\$ 2,743.00	\$ 4,881.40	\$ -	
Life Insurance (0.24%)	\$ 270.00	\$ 301.84	\$ -	\$ 133.20
401(k) (6%)	\$ 8,000.00	\$ 6,756.40	\$ -	\$ 2,898.81
<b>Total Salaries/Benefits</b>	<b>\$ 98,800.00</b>	<b>\$ 93,046.60</b>	<b>\$ 95,500.00</b>	<b>\$ 36,261.35</b>
Walkability Improvements	\$ -		\$ -	
Streetscape/Wayfinding / Walkability	\$ -		\$15,000	
Public Art (Downtown Initiative)	\$ -		\$ -	
Landscaping		\$ 3,000.00		
Snow Removal	\$ -			\$ -
Façade Program	\$ -			\$ -
Financial Incentives	\$ -			
Downtown Park(s)****	\$ -	\$ 3,598.80	\$ 9,000.00	\$ 6,190.52
Marketing/Promotions	\$ -	\$ 9,703.22	\$ 32,000.00	\$ 2,998.04
Blight	\$ -			
Office Space and Misc Operating	\$ -	\$ 6,909.23	\$ 9,000.00	\$ 3,390.80
<b>Total Recurring Costs</b>	<b>\$ -</b>	<b>\$ 23,211.25</b>	<b>\$ 65,000.00</b>	<b>\$ 12,579.36</b>
Morris Street Lot	\$ -		\$ -	\$ -
Taste of Muskegon	\$ -		\$ -	
Lakeshore Art Festival			\$ -	
<b>Projects and Events</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
County Debt Payments (\$1M)	\$ -	\$ 134,072.00	\$ -	
Mercy Health Arena HVAC/Roof*****	\$ 208,051.00	\$ 208,051.00	\$ 130,000.00	
Other Debt Payments (smartzone)	\$ -		\$ -	\$ -
<b>Total Debt Payments</b>	<b>\$ 208,051.00</b>	<b>\$ 342,123.00</b>	<b>\$ 130,000.00</b>	<b>\$ -</b>
<b>Total Expenses</b>	<b>\$ 306,851.00</b>	<b>\$ 458,380.85</b>	<b>\$ 290,500.00</b>	<b>\$ 48,840.71</b>

<b>Net Rev/Expenses</b>	<b>\$ 296,833.00</b>	<b>\$ 83,129.09</b>	<b>\$ 36,787.00</b>	<b>\$ (48,840.71)</b>
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<b>Fund Balance at Beginning of Year</b>		<b>\$ 6,347.00</b>		<b>\$ 89,476.09</b>
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<b>Fund Balance at End of Year</b>		<b>\$ 89,476.09</b>		<b>\$ 40,635.38</b>
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## EVENTS FINANCIAL FOR 11/30/2021

	FY 2020-21 BUDGET	FY2020-21 ACTUAL	FY2021-22 BUDGET	FY TOTALS NOVEMBER 30, 2021
<b>Revenues</b>				
Tax Increment	\$ -	\$ -	\$ -	\$ -
Reimbursement - State	\$ -	\$ -	\$ -	\$ -
Event Revenue*	\$ 96,200.00	\$ 75,635.38	\$ 161,750.00	\$ 52,809.00
Trans From Capital Projects Fund			\$ -	\$ -
Interest Income	\$ -	\$ -	\$ -	\$ -
Fundraising Revenue**	\$ 5,000.00	\$ 5,009.78	\$ 5,000.00	\$ -
BID Income (or \$50,000 levy)**	\$ -	\$ -	\$ -	\$ -
Sponsorship	\$ 70,000.00	\$ 37,680.00	\$ 87,000.00	\$ 19,130.00
Former Mall Brownfield Income (GF)	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 171,200.00</b>	<b>\$ 118,325.16</b>	<b>\$ 253,750.00</b>	<b>\$ 71,939.00</b>

	FY 2020-21	FY2020-21 ACTUAL	FY 2021-22	FY 2021-22
<b>Expenses</b>				
Business Dev. Manager Wages	\$ -	\$ -	\$ -	\$ -
Trans to GF - Marketing, Events, Overhead	\$ -	\$ -	\$ -	\$ -
FICA (7.65%)	\$ -	\$ -	\$ -	\$ -
Workers Comp (2%)	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -
Residency Bonus (4%)	\$ -	\$ -	\$ -	\$ -
Life Insurance (0.24%)	\$ -	\$ -	\$ -	\$ -
401(k) (6%)	\$ -	\$ -	\$ -	\$ -
<b>Total Salaries/Benefits</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Walkability Improvements	\$ -	\$ -	\$ -	\$ -
Streetscape/Wayfinding / Walkability	\$ -	\$ -	\$ -	\$ -
Public Art (Downtown Initiative)	\$ -	\$ -	\$ -	\$ -
Landscaping	\$ -	\$ -	\$ -	\$ -
Snow Removal	\$ -	\$ -	\$ -	\$ -
Façade Program	\$ -	\$ -	\$ -	\$ -
Financial Incentives	\$ -	\$ -	\$ -	\$ -
Downtown Park(s)****	\$ -	\$ -	\$ -	\$ -
Marketing/Promotions	\$ -	\$ -	\$ -	\$ -
Blight	\$ -	\$ -	\$ -	\$ -
Office Space and Misc Operating	\$ -	\$ -	\$ -	\$ -
<b>Total Recurring Costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Miscellaneous Events(Cookie Crawl, Letters to Sar	\$ -	\$ -	\$ -	\$ 2,711.95
Taste of Muskegon	\$ 2,600.00	\$ 2,210.24	\$ 65,375.00	\$ 71,704.84
Lakeshore Art Festival	\$ 159,279.00	\$ 120,497.72	\$ 159,279.00	\$ 23,045.98
<b>Projects and Events</b>	<b>\$ 161,879.00</b>	<b>\$ 122,707.96</b>	<b>\$ 224,654.00</b>	<b>\$ 97,462.77</b>
County Debt Payments (\$1M)	\$ -	\$ -	\$ -	
Mercy Health Arena HVAC/Roof*****	\$ -	\$ -	\$ -	
Other Debt Payments (smartzone)	\$ -	\$ -	\$ -	\$ -
<b>Total Debt Payments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expenses</b>	<b>\$ 161,879.00</b>	<b>\$ 122,707.96</b>	<b>\$ 224,654.00</b>	<b>\$ 97,462.77</b>

<b>Net Rev/Expenses</b>	<b>\$ 9,321.00</b>	<b>\$ (4,382.80)</b>	<b>\$ 29,096.00</b>	<b>\$ (25,523.77)</b>
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<b>Fund Balance at Beginning of Year</b>		<b>\$ -</b>		<b>\$ (4,382.80)</b>
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<b>Fund Balance at End of Year</b>		<b>\$ (4,382.80)</b>		<b>\$ (29,906.57)</b>
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**TOTAL FINANCIAL FOR 11/30/2021**

	FY 2020-21 BUDGET	FY2020-21 ACTUAL	FY2021-22 BUDGET	FY TOTALS NOVEMBER 30, 2021
<b>Revenues</b>				
Tax Increment	\$ 490,931.00	\$ 490,931.00	\$ 310,287.00	\$ -
Reimbursement - State	\$ -	\$ -	\$ -	\$ -
Event Revenue*	\$ 96,200.00	\$ 75,635.38	\$ 161,750.00	\$ 52,809.00
Trans From Capital Projects Fund	\$ -	\$ -	\$ -	\$ -
Interest Income	\$ 100.00	\$ 1,210.06	\$ -	\$ -
Fundraising Revenue**	\$ 5,000.00	\$ 5,009.78	\$ 5,000.00	\$ -
BID Income (or \$50,000 levy)**	\$ 112,653.00	\$ 165,306.55	\$ 129,000.00	\$ 3,972.68
Sponsorship	\$ 70,000.00	\$ 37,680.00	\$ 87,000.00	\$ 19,130.00
Former Mall Brownfield Income (GF)	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 774,884.00</b>	<b>\$ 775,772.77</b>	<b>\$ 693,037.00</b>	<b>\$ 75,911.68</b>

	FY 2020-21	FY2020-21 ACTUAL	FY 2021-22	FY 2021-22
<b>Expenses</b>				
Business Dev. Manager Wages	\$ 73,781.00	\$ 75,024.35	\$ -	\$ 28,636.61
Trans to GF - Marketing, Events, Overhead	\$ -	\$ -	\$ -	\$ -
FICA (7.65%)	\$ 5,848.00	\$ 5,651.85	\$ -	\$ 2,498.90
Workers Comp (2%)	\$ 410.00	\$ 430.76	\$ -	\$ 171.20
Insurance	\$ 7,748.00	\$ -	\$ -	\$ 1,922.63
Residency Bonus (4%)	\$ 2,743.00	\$ 4,881.40	\$ -	\$ -
Life Insurance (0.24%)	\$ 270.00	\$ 301.84	\$ -	\$ 133.20
401(k) (6%)	\$ 8,000.00	\$ 6,756.40	\$ -	\$ 2,898.81
<b>Total Salaries/Benefits</b>	<b>\$ 98,800.00</b>	<b>\$ 93,046.60</b>	<b>\$ 95,500.00</b>	<b>\$ 36,261.35</b>
BID Expenses	\$ -	\$ 159,762.00	\$ -	\$ 2,000.00
Streetscape/Wayfinding / Walkability	\$ -	\$ -	\$ 15,000.00	\$ -
Public Art (Downtown Initiative)	\$ -	\$ -	\$ -	\$ -
Landscaping	\$ -	\$ 3,000.00	\$ 65,000.00	\$ 25,441.32
Snow Removal	\$ -	\$ -	\$ 30,000.00	\$ 1,335.00
Façade Program	\$ -	\$ -	\$ -	\$ -
Financial Incentives	\$ -	\$ -	\$ -	\$ -
Downtown Park(s)****	\$ -	\$ 3,598.80	\$ 9,000.00	\$ 6,190.52
Marketing/Promotions	\$ -	\$ 9,703.22	\$ 32,000.00	\$ 2,998.04
Blight	\$ -	\$ -	\$ -	\$ -
Office Space and Misc Operating	\$ -	\$ 6,909.23	\$ 26,000.00	\$ 3,390.80
<b>Total Recurring Costs</b>	<b>\$ -</b>	<b>\$ 182,973.25</b>	<b>\$ 177,000.00</b>	<b>\$ 41,355.68</b>
Morris Street Lot	\$ -	\$ -	\$ -	\$ 2,711.95
Taste of Muskegon	\$ 2,600.00	\$ 2,210.24	\$ 65,375.00	\$ 71,704.84
Lakeshore Art Festival	\$ 159,279.00	\$ 120,497.72	\$ 159,279.00	\$ 23,045.98
<b>Projects and Events</b>	<b>\$ 161,879.00</b>	<b>\$ 122,707.96</b>	<b>\$ 224,654.00</b>	<b>\$ 97,462.77</b>
County Debt Payments (\$1M)	\$ -	\$ 134,072.00	\$ -	\$ -
Mercy Health Arena HVAC/Roof*****	\$ 208,051.00	\$ 208,051.00	\$ 130,000.00	\$ -
Other Debt Payments (smartzone)	\$ -	\$ -	\$ -	\$ -
<b>Total Debt Payments</b>	<b>\$ 208,051.00</b>	<b>\$ 342,123.00</b>	<b>\$ 130,000.00</b>	<b>\$ -</b>
<b>Total Expenses</b>	<b>\$ 468,730.00</b>	<b>\$ 740,850.81</b>	<b>\$ 627,154.00</b>	<b>\$ 175,079.80</b>

<b>Net Rev/Expenses</b>	<b>\$ 306,154.00</b>	<b>\$ 34,921.96</b>	<b>\$ 65,883.00</b>	<b>\$ (99,168.12)</b>
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<b>Fund Balance at Beginning of Year</b>		<b>\$ 6,347.00</b>		<b>\$ 41,268.96</b>
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<b>Fund Balance at End of Year</b>		<b>\$ 41,268.96</b>		<b>\$ (57,899.16)</b>
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**CONTACT: CARLA FLANDERS**  
**LAKESHORE ART FESTIVAL DIRECTOR**  
PHONE: 616.893.5459  
[director@lakeshoreartfestival.org](mailto:director@lakeshoreartfestival.org)

**NEWS RELEASE**  
FOR IMMEDIATE RELEASE  
November 11, 2021

## **Lakeshore Art Festival: Pure Michigan Award, Call for Artists and Grant Recipient**

### **MUSKEGON, MI – Pure Michigan Award**

The Lakeshore Art Festival (LAF) was honored at the recent Pure Michigan Governor's Conference on Tourism as the recipient of the 2021 Pure Award. The Pure Award is intended to recognize Michigan tourism entities that have pioneered the incorporation of innovative and exemplary best practices in natural, cultural, and/or heritage stewardship into their daily operations. This year's Pure Award went to Lakeshore Art Festival (LAF) an event of the City of Muskegon working in collaboration with the Muskegon Lakeshore Chamber of Commerce, Visit Muskegon (Convention and Visitors Bureau), the Muskegon Museum of Art and many local businesses.

LAF is centered around positive social, economic, and environmental impacts that complement the revitalization of Muskegon as a tourist attraction and a great place to live, work and play. This collaboration was a conscious effort to help revitalize downtown Muskegon through investment, environmental stewardship, supporting the arts and tourism. Before the pandemic, the festival brought in 50,000 visitors, diverting 10,289 pounds of material from landfills while providing more than \$7 million dollars in economic impact.

### **Call for Artists**

Applications to be a fine art or handcrafted exhibitor are now open for the award-winning Lakeshore Art Festival. LAF is a juried show, professional artists and fine art/craft coordinators serve on the jury and review each exhibitor application before they are accepted into the show. No buy-sell items are allowed. The event will take place in downtown Muskegon, Michigan on Saturday, June 25 and Sunday, June 26, 2022.

**Applications are accepted online only and can be accessed through [Zapplications](#) to or via [lakeshoreartfestival.org](http://lakeshoreartfestival.org).**

Local and national artists are encouraged to apply. Exhibitor amenities include: \$3,000 in Fine Art/Fine Craft awards and Craft Market People's Choice Awards. Extensive marketing and publicity using online/print media, magazine, social media, industry trade publications, posters, postcards, radio advertising, television and billboards. Vehicle access near booth site for easy set up and teardown. Private security patrolling park and streets overnight Friday and Saturday. Exhibitor hospitality which includes morning coffee, juice, water and baked goods. Friendly Lakeshore Art Festival Committee Member booth sitters for exhibitor breaks.

### **Grant Recipient**

The Lakeshore Art Festival has been awarded a grant of \$17,500 from the State of Michigan Council for Arts and Cultural Affairs (MCACA). The grant was awarded through the MCACA peer review process and was one of 594 applications to compete for MCACA fiscal year 2022 funding.



Organizations receiving a MCACA grant award are required to match those funds with other public and private dollars. Local support of the project included DTE Foundation, Howmet, Nichols, Mart Dock, PADNOS, Blended Furniture Market and many more. LAF also receives significant volunteer support from the community with help from the United Way of the Lakeshore, local schools, and residents.

“These dollars are vital to the maintenance and growth of the Lakeshore Art Festival. The funds will help with event production and in turn add economic vibrancy to our community as we welcome thousands of exhibitors and guests to the Muskegon Lakeshore area next summer,” commented Carla Flanders, Lakeshore Art Festival Director.

**More about the Lakeshore Art Festival:**

*The 2022 dates are June 25 and 26.* The annual art festival brings thousands of guests, hundreds of fine art and craft exhibitors, a multitude of food vendors, children’s activities, street performers and interactive art installations to Downtown Muskegon. The festival ranks as one of the Top 200 Best in the Country by Sunshine Artist Magazine, has been recognized as People’s Choice Award: #1 Art Festival in West Michigan and as one of the Best Art Fairs in America by ArtFairCalendar.com. Since 2014, the Lakeshore Art Festival has brought in over \$7.5 million dollars to the Muskegon Lakeshore area and supported a number of local non-profits. If you are interested in getting involved as a volunteer or local business sponsor, please contact Carla Flanders at [director@lakeshoreartfestival.org](mailto:director@lakeshoreartfestival.org) or visit [lakeshoreartfestival.org](http://lakeshoreartfestival.org) for more information.

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## Muskegon Downtown Development Authority

### Agenda item C for 12-14-21

#### Support of a new art-craft event downtown in March 2022

**Requesting party:** City Economic Development

**Outline of request:** Staff was approached last week by Carla Flanders of CMF Marketing & Events and the Lakeshore Art Festival to have the city and the DDA back a new late-winter event to generate downtown activity, support LAF vendors and delight customers.

**Background:** CMF's proposal for the Michigan Makers Market is outlined in a memo produced by Carla Flanders in conjunction with her LAF team. The plan is for a single-day event, March 12, 2022 in the VanDyk Mortgage Convention Center. The vendors would be Michigan fine art and craft producers who likely have been longtime LAF participants. The customers would be from around the West Michigan region. The overall \$29,400 estimate of producing the event nets a very preliminary estimate of \$1,100 for the DDA based upon \$31,000 in income from booth fees, entrance fees, sponsorship and merchandise sales. Booth fees would be \$100 for 75 vendors and entrance fee of \$5 for a conservative estimate of 1,500 attendees.

**Staff comments:** CMF and the LAF team have proven themselves over the years. Staff is comfortable that they have come up with a plan that is feasible and likely to succeed. The DDA budget and most recent event success makes a \$30,000 ultimate risk doable. This is an event that is supported by the convention center management and is great for Downtown Muskegon in a slow, many times bleak month of March. A \$7,000 management fee to CMF is your next agenda item. If the event is to be produced, the DDA would need to take action at the Dec. 14 meeting or there would not be enough time for the event's creation.

**Staff recommendation:** Staff recommends the DDA be the fiduciary for the new Michigan Makers Market on March 12, 2022 in the same way the DDA has financially backed the Lakeshore Art Festival and Taste of Muskegon through the city clerk's event staff.

**Suggested motion:** I move for the DDA to support the creation of a new March 12, 2022 one-day art and crafts event in the VanDyk Mortgage Convention Center in Downtown Muskegon as fiduciary of the event.

### Michigan Makers Market – Overview

**What:** An indoor winter marketing featuring 80-100 booths of crafts and fine art HANDMADE IN MICHIGAN.

**Who:** A Production of the Lakeshore Art Festival. Created and produced by the Lakeshore Art Festival team. Supported by the DDA and the City Clerks Office.

**Where:** The new VanDyk Mortgage Convention Center

**When:** March 12, 2022, 9am-5pm

**Finances:** Funds will run through the City of Muskegon.

#### **Draft Budget:**

Income	
Item	Budgeted 2022
Booths	
Booths	\$ 7,500.00
Entrance Fee	\$ 7,500.00
Sponsorship	\$ 15,000.00
Merchandise	\$ 1,000.00
<b>Totals</b>	<b>\$ 31,000.00</b>

Expenses	
Item	Budgeted 2022
Exhibitors (application fee/welcome bag/ etc)	\$ 1,500.00
Insurance (TBD)	\$ 600.00
Logistics (Rental Fee)	\$ 7,500.00
Logistics (Supplies/Shirts)	\$ 800.00
Marketing (Signage, Design, Branding, Website, Ads, etc)	\$ 12,500.00
Staff (CMF Marketing & LAF Assistants)	\$ 7,000.00
<b>Totals</b>	<b>\$ 29,400.00</b>

<b>NET TOTAL</b>	<b>\$ 1,100.00</b>
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## **Muskegon Downtown Development Authority**

### **Agenda item D for 12-14-21**

#### **Approval of a Michigan Market Makers management agreement**

**Requesting party:** City Economic Development

**Outline of request:** Staff is for authorization to renew a management contract with CMF Marketing & Events to produce a new 2022 Michigan Market Makers event in downtown Muskegon.

**Background:** CMF's Carla Flanders has successfully produced the Lakeshore Art Festival on behalf of the Muskegon chamber and the community for many years and was contracted by the city Clerk's Office event team to produce what was a successful 2021 event.

**Staff comments:** The proposed draft contract will be presented to you before your meeting on Dec. 14 and is in the same format as the 2022 LAF agreement with CMF that you already have approved. The contract price is \$7,000 and is part of the event overview in Agenda Item C.

**Staff recommendation:** To approve a new event management agreement with CMF Marketing & Events for the Michigan Market Makers on March 12, 2022.

**Suggested motion:** I move to approve a new event management agreement with CMF Marketing & Events for the Michigan Market Makers and direct City Clerk Ann Meisch to execute it.



**CMF Marketing, LLC  
Master Services Agreement**

This Master Services Agreement (Agreement) is effective December 14, 2021 between CMF Marketing LLC, located in Norton Shores, MI, a Michigan limited liability company (CMF Marketing), and Downtown Development Authority (DDA), an entity of the City of Muskegon, located at 933 Terrace St, Muskegon, MI 49440 (Client).

The Client desires to engage CMF Marketing, and CMF Marketing desires to be so engaged, for the provision of services in accordance with the terms and conditions contained in this Agreement. For valid consideration received, the parties agree as follows:

**1. CMF Marketing Services and Statement of Work.**

- 1.1 CMF Marketing is in the business of providing professional marketing consulting services. CMF Marketing shall perform the services (Services) and charge the fees (Fees) in accordance with the statement of work (hereafter, Statement of Work or SOW), which is attached and incorporated into this Agreement.
- 1.2 A SOW shall be completed for each separate project CMF Marketing will complete for Client under the terms of this Agreement. CMF Marketing will not complete any work other than the work described on the SOW. Each SOW shall be incorporated into this document as part of the Agreement. Each SOW shall have a unique Statement of Work Number (SOW No.) which will be referenced on the invoices.

**2. Term of the Agreement.** This Agreement will become effective when signed by both parties and shall continue for a period of 4 month(s) from the Effective Date (Term), unless terminated earlier as otherwise provided for in this Agreement. In the event any SOW remains in effect following such termination, this Agreement shall govern and continue in effect with regard to such SOW until the termination of the SOW. All provisions of this Agreement shall apply to all services and periods of time in which CMF Marketing renders services for Client.

**3. Fees and Expenses.**

- 3.1 Client shall pay the Fees in the Statement of Work. Fees are either paid as a Flat Fee, Monthly, or Hourly.
  - a. Flat Fee. Flat Fee is defined as payment for the Services via one pre-determined Fee, which will be described on the Statement of Work. If the Services are charged at a Flat Fee, payments towards the total Flat Fee will be paid according to the schedule on the Statement of Work.
  - b. Monthly Fee. Monthly Fee is defined as payment for the Services via one pre-determined Fee on a Monthly basis, the frequency of which is described on the Statement of Work. Client will be invoiced on a monthly or bi-weekly basis. Payment on the invoices is due in fourteen (14) days.
  - c. Hourly Fee. Hourly Fee is defined as payment for the Services according to the time it takes for CMF Marketing to complete the work. Client may be required to pay a retainer, which will cover a certain number of hours toward the Services. The Hourly Fee will be described in the Statement of Work. CMF Marketing will invoice Client at milestones defined in the SOW, or if no such milestones are specified, on a monthly basis for Services performed in the previous month. Payment on the invoices is due in fourteen (14) days.

- d. Additional Work. Any work CMF Marketing completes outside of Services and Fees in the Statement of Work will be considered Additional Work. Unless otherwise specified in writing, Additional Work will be charged on an hourly basis at an hourly rate of **\$75** and will be invoiced and due in accordance with Section 3.1(c).
- 3.2 If the Client fails to pay at the time payment is due, a late fee of one and a half percent (1.5%) will be added to the total for every month the payment is late. Further, CMF Marketing may choose to discontinue Services until payment is up to date.
- 3.3 The Fee outlined in the Statement of Work is the amount owed. The Fee will be due regardless of termination of the services by the Client or termination for cause by CMF Marketing, see Section 7.
- 3.4 CMF Marketing reserves the right to amend Fees from time to time during the Term of this Agreement.
- 3.5 Client will be responsible for payment of all attorney fees and costs associated with the collection of any balance owed or any additional fees Client owes CMF Marketing under the terms of this Agreement.
- 3.6 The Client shall reimburse CMF Marketing for reasonable out-of-pocket expenses and costs, including mileage, incurred in the performance of the Services (Expenses) on the Client's behalf. Mileage will be charged according to the current IRS standard business rate. Expenses will be invoiced and shall be paid within 14 days after Client's receipt of the invoice.

#### ***4. Client Duties, Representations and Warranties.***

- 4.1 Client agrees faithfully and diligently to perform the following in accordance with the terms and conditions of this Agreement:
  - a. Provide CMF Marketing with the necessary approval, if applicable, required for CMF Marketing to complete the Services.
  - b. Grant CMF Marketing unrestricted access to all systems and information CMF Marketing requires to complete the Services.
  - c. Pay CMF Marketing for the Services provided according to the Fees listed in each of the Statement(s) of Work.
- 4.2 Client represents and warrants the following:
  - a. Client has the full right and power to enter into and perform this Agreement without any additional consent from any third party.
  - b. Client has provided CMF Marketing with accurate data and information necessary for CMF Marketing to perform the Services contemplated by this Agreement.
  - c. All content supplied to CMF Marketing for CMF Marketing's use in the performance of the Services are owned by Client, or, Client has the legal rights to use the content in a manner consistent with CMF Marketing's Services.
  - d. Client has not intentionally omitted or altered any information or data necessary for CMF Marketing to complete the Services

***5. Limits on CMF Marketing Liability.*** CMF Marketing will perform the Services in accordance with the industry standard expected from a professional providing these Services. CMF Marketing does not guarantee or warrant that the work performed under the terms of this Agreement will be free from errors or omissions. Client is ultimately responsible for the maintenance of its own accounting systems, transactions, payment of taxes, documentation, management, oversight, and implementation of the Services CMF Marketing provides. Client agrees not to hold CMF Marketing liable for any lost profits, income, or any other damages, including any consequential damages resulting from CMF Marketing's Services. CMF Marketing's liability is limited to the amount of CMF Marketing's Fees payable under this Agreement.

***6. Indemnification.*** The Client shall indemnify, defend, and hold CMF Marketing, its affiliates, and their respective officers, directors, shareholders, members, employees, agents, and other representatives harmless from and against all claims, losses, expenses, liabilities, demands, obligations, or damages of every kind and nature (including, without limitation, reasonable attorney fees and expenses) (Losses), arising out of or related



to (i) any act or omission of the Client; (ii) any breach of Client's representation and warranties, (iii) any breach of this Agreement by Client; and (iv) any other matter referred to in this Agreement, including without limitation the performance of the services that are the subject of this Agreement, except to the extent that any such loss, claim, damages, or liability are finally judicially determined to have resulted from the gross negligence, bad faith, willful misfeasance, or reckless disregard by CMF Marketing of its obligations or duties.

## **7. Termination.**

### **7.1 Termination by CMF Marketing.**

- a. No Cause. CMF Marketing reserves the right to, and Client agrees, that CMF Marketing may terminate any and all services to Client for no cause and without any reason upon thirty (30) days' notice. The Termination Date is the date the 30 days' notice expires. In the event CMF Marketing terminates for no cause:
  - i. If the Services are charged by Flat Fee and CMF Marketing has completed seventy five percent (75%) or more of the Services as of the Termination Date, Client shall pay the balance and no refund shall be issued. If seventy five percent (75%) or less of the Services are completed on the Termination Date, Client is only responsible for the Flat Fee in proportion to the Services rendered, and if applicable, CMF Marketing will issue a refund to Client in proportion to the Services not completed. Determination as to what proportion of Services are completed will be at the sole discretion of CMF Marketing.
  - ii. If the Services are charged by Monthly Fee, Client shall pay all Monthly Fees due before the Termination Date and will receive no refund for the payments made as of the Termination Date. Client will not be responsible for any payments in the Statement of Work, which would be due after the Termination Date.
  - iii. If the Services are charged by Hourly Fee, Client shall pay for all time CMF Marketing has spent on performance of the Services before the Termination Date.
- b. Cause. CMF Marketing reserves the right to, and Client agrees that CMF Marketing may, cancel this Agreement and terminate any and all services to Client immediately, and without prior notice, in the event that Client fails to fulfill any obligations under Section 3, 4, or any other material obligations contained in this Agreement. If CMF Marketing terminates this Agreement for cause, CMF Marketing shall retain the right to recover any remaining payments owed to CMF Marketing by the Client, which are due beyond the termination of this Agreement. Client agrees that it waives any right it may have against CMF Marketing to offset fees payable by Client to CMF Marketing.

7.2 *Post-Termination Rights.* Except as provided in Section 8.1(a), after termination for any other reason, CMF Marketing shall retain the right to recover any remaining payments owed to CMF Marketing by the Client, which are due beyond the termination of this Agreement. Client agrees that it waives any right it may have against CMF Marketing to offset fees payable by Client to CMF Marketing.

## **8. Proprietary Rights and Confidentiality.**

- 8.1 *Proprietary Rights for Works Created by CMF Marketing.* Client expressly recognizes that CMF Marketing is the author or owner of any and all materials provided to Client by CMF Marketing, as well as all the attendant Intellectual Property Rights. CMF Marketing grants a license for Client to use such Intellectual Property Rights, internally. Client is not now, nor at any time in the future authorized to use CMF Marketing's proprietary materials for commercial purposes or outside of Client's own operations.
- 8.2 *Confidentiality.* Neither party shall use, exploit, or make known to any person or business entity, any information directly or indirectly received by a party or acquired pursuant to the relationship created by this Agreement, including, without limitation, information relating to business affairs, data, designs, manuals, training materials and documentation, formulas, ideas, inventions, knowledge of manufacturing processes, methods, prices, financial and accounting data, timekeeping data, products and product specifications, systems and technical information (Confidential Information). Notwithstanding the foregoing, CMF Marketing and the Client shall each be permitted to disclose Confidential Information of the other to its own employees, subcontractors, accountants, attorneys,

and other agents and its affiliates or subsidiaries to the extent the disclosure is reasonably necessary for the performance of its duties and obligations or the enjoyment of its rights under this Agreement; *provided, however*, that CMF Marketing and the Client shall be responsible for any violation of the confidentiality obligations set forth in this Agreement by any permitted third parties to which it provides Confidential Information.

**9. Marketing.** CMF Marketing retains the right to produce and make public a marketing case study of the Client's success and list Client and/or its logo on CMF Marketing's collateral material, including but not limited to CMF Marketing's social media links, email campaigns, and other marketing materials. CMF Marketing also retains the right to publish non-confidential communications between Client and CMF Marketing for marketing purposes upon Client's consent.

**10. Force Majeure.** If either party is prevented or delayed in the performance of any of its obligations under this Agreement due to Force Majeure (defined below), that party will provide written notice to the other party specifying the nature and expected duration of the Force Majeure. The performance of the party invoking Force Majeure with respect to any obligation will be excused and the time for performance extended, but only for the period of delay or inability to perform due to Force Majeure. If the total of any period of delay or inability to perform due to Force Majeure asserted by either party during the Term equals or exceeds 30 consecutive days, the other party will have the right, at its option, to either terminate this Agreement by written notice or to continue to excuse the first party's performance for the period of any delay or inability to perform due to Force Majeure. In the event that the Agreement is terminated due to a Force Majeure event, CMF Marketing reserves the right to collect payment in accordance with Section 8.1(a). As used in this Agreement, "Force Majeure" shall mean any act of God, fire, casualty, flood, war, strike, lockout, closures due to a pandemic, including any closures related to COVID-19, any consequences of a closure by executive order, labor trouble, or any other circumstances beyond the reasonable control of the party asserting it that prevents or delays the performance of any of its obligations under this Agreement.

**11. Miscellaneous.**

- 11.1 *Retention.* CMF Marketing will retain the file related to this Agreement for two years. It is Client's responsibility to retain and protect all necessary financial documents for the requisite amount of time with regard to potential examination by any government or regulatory agency, prospective buyers of your business, acquiring business loans, etc.
- 11.2 *Assignment.* Neither party may assign the rights or obligations under this Agreement.
- 11.3 *Compliance with Laws.* Both parties shall comply with all applicable international, national, and local laws and regulations.
- 11.4 *Notices.* Any notice required or permitted to be given under this Agreement must be in writing and may be made by facsimile or electronic means. Notices may be delivered by facsimile, ordinary mail, electronic means, express service, or any combination thereof. Notice shall be effective on receipt.
- 11.5 *Waiver.* No act or forbearance by either party shall be construed as a waiver of any right or obligation under this Agreement.
- 11.6 *Entire Agreement.* This Agreement represents the entire agreement between the parties regarding the Services and shall not be modified without the express written consent of both parties.
- 11.7 *Survival.* The provisions of Sections 6, 7, 8, and 10 shall survive the termination of this Agreement or any relationship between the parties for the period set forth in that Section, and if not set forth, indefinitely.
- 11.8 *Governing Law.* This Agreement is a contract made under and shall be governed by and construed in accordance with, the laws of the State of Michigan without giving effect to its choice-of-law principles. The parties agree that any legal or equitable action or proceeding with respect to this Agreement or the transactions contemplated by it shall be brought only in any court sitting in Muskegon County of the State of Michigan, or the Western District Court of the United States sitting in Michigan, and each of the parties submits to and accepts generally and unconditionally the exclusive jurisdiction of those courts with respect to it and its property and irrevocably consents to the service of process in



connection with any action or proceeding by personal delivery or by the mailing by registered or certified mail, postage prepaid to its address first set forth above. Nothing in this Agreement shall affect the right of any party to serve process in any other manner permitted by law. Each party irrevocably waives any objection to the laying of venue of any action or proceeding in the above-described courts.

11.9 *Severability*. If any provision of this Agreement is held to be invalid or unenforceable for any reason whatsoever, the remaining provisions shall remain valid and unimpaired, and shall continue in full force and effect.

11.10 *Knowing Consent and Authority to Consent*. The parties knowingly and expressly consent to the foregoing terms and conditions. Each signatory is authorized to enter into this Agreement on behalf of its respective party.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

CMF Marketing LLC:

Client:

\_\_\_\_\_  
Carla M. Flanders

Its: Owner

\_\_\_\_\_  
Name: \_\_\_\_\_

Its: \_\_\_\_\_

STATEMENT OF WORK  
Flat Fee

This Statement of Work ("SOW") is incorporated into the Master Services Agreement by and between CMF Marketing and Client (the "Agreement"). This SOW describes Services to be performed and provided by CMF Marketing pursuant to the Agreement. If any item in this SOW is inconsistent with the Agreement prior to such incorporation, the terms of this SOW will control, but only with respect to the services to be performed under this SOW.

Description of Services:

**Event Production:** Produce event, create, design and implement new event for Downtown Muskegon - Michigan Makers Market.

**Exhibitors:** Secure online program (Zapplications) to create registration basis for exhibitors, coordinate and place all exhibitor promotions, and secure exhibitor applications.

**Committee:** Work with LAF team to solidify Michigan Made fine art / craft exhibitors, food vendors.

**Sponsorship:** Develop sponsorship opportunities and secure sponsorship dollars.

**Marketing/Promotions:** Manage and book marketing for event. Create and distribute press releases and email communications. Work with design team to create, coordinate and manage all signage, ads, promotions, website maintenance, etc.

**Logistics:** Work with the team to coordinate all logistical needs.

**Budget:** Manage approved budget and work with the City of Muskegon for funding structure.

Payment of Fees: Fees for Services provided under this SOW will be paid at a flat fee of **\$7,000** for the completion of the above-described Services plus a portion of net funds. CMF Marketing shall be paid pursuant to the following milestones:

Milestone	Projected Date	Payment Amount
First Payment	January 1, 2022	\$3,500
Second Payment	March 15, 2022	\$3,500
Final Payment	May 16, 2022	35% of net funds*

\*Upon project completion, if net funds of \$500 or more are realized, CMF Marketing will receive 35% of total net funds. Net funds are defined by expenses, minus income. Funds will be awarded within 60 days of event completion and will be awarded no later than the date listed above. If less than \$500 of net funds are realized, no additional payment will be awarded.

Schedule: CMF Marketing shall begin rendering the Services under this SOW on **December 14, 2021** and Services shall continue until the Services are completed, unless otherwise terminated under the Agreement.

Authorization: The below signed agents sign authorize the Services outlined in this SOW, pursuant to the Agreement.

CMF Marketing LLC

Client

Signed: \_\_\_\_\_  
By: Carla M. Flanders  
Its: Manager/Member  
Dated: \_\_\_\_\_

Signed: \_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Dated: \_\_\_\_\_